

DAVID VITTER
LOUISIANA

DEPUTY WHIP

Environment and Public Works
Top-Ranking Republican

Armed Services

Banking, Housing, and Urban Affairs

Small Business and Entrepreneurship

United States Senate

WASHINGTON, DC 20510

October 23, 2014

WASHINGTON, D.C.
HART SENATE OFFICE BUILDING
SUITE 5H-518
WASHINGTON, DC 20510
(202) 224-4623
FAX: (202) 328-8081

BATON ROUGE
858 CONVENTION STREET
BATON ROUGE, LA 70802
(225) 383-0881
FAX: (225) 383-0882

Website with E-Mail Address:
vitter.senate.gov

The Honorable Tom Wheeler
Chairman, Federal Communications Commission
445 12th Street, SW
Washington, DC 20536

Dear Chairman Wheeler:

Broadband Internet access has become an essential part of the economic and social fabric in many rural communities, as a tool to build businesses, apply for jobs, enhance educational opportunities, and connect to friends and relatives. With robust broadband service, even a small town can rely on its residents' talent and determination to compete with the world. Without it, the same community risks being left behind in today's technology-centric economy.

Phase II of the Connect America Fund ("CAF II") offers an opportunity to bring speedier broadband connections to millions of Americans who wouldn't otherwise have it, especially in rural areas, like much of Louisiana, served by the larger "price cap" carriers. Due to the Commission's publicized efforts, many rural communities are counting on CAF II, and its rules will determine for years to come whether or not many rural communities have broadband service. The June 10 Further NPRM raised hopes further by more than doubling the promised download speeds in the 2011 USF/ICC Transformation Order, from 4 Mbps to 10 Mbps.

It is important to ensure that the final details of CAF II live up to its promise. I am concerned that if the Commission more than doubles the speed requirements without allowing the appropriate level of flexibility in other elements of CAF II, the program's overall mission could be endangered. To the Commission's credit, the June 10 FNPRM identifies a number of constructive ideas that could help achieve the network speed goals without exceeding the CAF II annual budget. These include extending the term of support up to ten years and providing flexibility on the build-out parameters. I hope you will take these ideas under consideration.

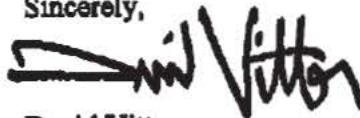
I strongly support efforts to ensure that funding is not used to support service where it already exists. Doing so ensures that limited resources will support broadband deployment to areas currently without service and will not subject existing carriers to subsidized competition. In applying standards, I encourage you to be as precise as possible in targeting support to areas where broadband would not otherwise be available. In the "interim" CAF I phases, an entire census block could be disqualified if a competitive carrier claimed to serve only a small fraction of its customers, and many areas were disqualified based on the untested assertions of fixed wireless ISPs with line of sight and capacity issues. The Commission should work to target specific areas, avoid duplication, and use reasonable standards to verify competitive providers when considering applications for support.

| | | | | | |
|--|--|--|---|---|--|
| AGADIANA 2201 KALISTO BALCON ROAD SUITE 201 LAFAYETTE, LA 70508 (337) 883-8502 FAX: (337) 883-8867 | CENTRAL LOUISIANA 6801 COLLEGE BOULEVARD PLAZA 28, SUITE 700-A ALEXANDRIA, LA 71303 (518) 448-0189 FAX: (518) 448-0189 | NORTHEAST LOUISIANA 1881 LOUISVILLE AVENUE SUITE 148 MONROE, LA 71201 (518) 325-8120 FAX: (518) 325-8188 | NORTHWEST LOUISIANA 920 PIERRE ROAD SUITE 113 SHREVEPORT, LA 71109 (518) 881-0437 FAX: (518) 881-4885 | SOUTHEAST LOUISIANA 2800 VETERANS BOULEVARD SUITE 201 METairie, LA 70002 (504) 889-2793 FAX: (504) 889-3807 | SOUTHWEST LOUISIANA 1424 RYAN STREET SUITE A LAKE CHARLES, LA 70601 (337) 435-0483 FAX: (337) 435-2182 |
|--|--|--|---|---|--|

1128

Thank you for considering these concerns, and I look forward to working with you to promote policies that will improve our nation's broadband infrastructure.

Sincerely,

A handwritten signature in black ink, appearing to read "David Vitter". The signature is stylized with a large, sweeping initial "D" and a prominent "V".

David Vitter
U.S. Senator



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

October 30, 2014

The Honorable David Vitter
United States Senate
516 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Vitter:

Thank you for your letter regarding the implementation of certain aspects of Phase II of the Connect America Fund (CAF II). In your letter, you express concerns that the overall mission of the CAF II program could be endangered if the Commission increases the current broadband speed benchmark for program recipients to 10 Mbps downstream /1 Mbps upstream without allowing flexibility in other elements of program, particularly with respect to the length of the term of support. Your views are very important and will be included in the record of the proceeding and considered as part of the Commission's review.

The universal service program is one of the most important tools at our disposal to ensure that consumers and businesses in rural America have the same opportunities as their urban and suburban counterparts to be active participants in the United States of the 21st century. We are focused on updating the universal service high-cost program to ensure that we are delivering the best possible voice and broadband experiences to rural areas of states such as Louisiana, within the confines of our Connect America budget, all while providing increased certainty and predictability for all carriers, and a climate for increased broadband expansion.

In April of this year, the Commission adopted a *Connect America Fund Phase II Report and Order* to move forward with Connect America for price-cap carriers. In addition, in an associated *Further Notice of Proposed Rulemaking (FNPRM)*, the Commission sought comment on a number of the issues you raise, including revising the current broadband performance obligations to require minimum speeds of 10 Mbps downstream. As you note, the *FNPRM* also seeks comment on a proposal to allow CAF II recipients more flexibility in meeting their performance obligations, including whether we should extend the term of support to longer than five years. Many price cap carriers have argued that building networks capable of providing 10 Mbps will take more time and more funding than meeting the current 4/1 Mbps speed requirement because it will require extending fiber farther into the network and deploying additional equipment. Other commenters argue that extending the Phase II term of support beyond five years will delay a competitive bidding process for the areas served by price cap carriers. The Commission's staff is reviewing the record and giving all the arguments due consideration before we move forward with any decisions.

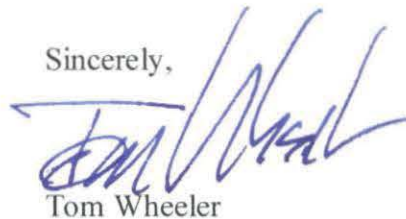
With respect to the points you raise on the importance of prudent use of universal service funds and targeting CAF II support to areas where broadband would not otherwise be available, the Commission has a responsibility to ensure that the funds we collect to support universal service programs are used in the most efficient and effective way possible. To that point, the *FNPRM* proposes to exclude from eligibility those areas served by any provider offering voice and broadband services that meet the Commission's service obligations, regardless of whether the provider is subsidized or unsubsidized.

You have also expressed your concern that the Commission ensure that eligible households not be excluded from CAF II funding. We take this concern very seriously. We are currently finalizing the list of census blocks that are eligible for support. To ensure that this list is as accurate as possible, we have a challenge process in place where parties can identify alleged problems with the broadband map. As part of that process, the Commission has received a total of 178,335 challenges from parties on the served/unserved status of census blocks. Commission staff is currently reviewing these challenges and seeking public comment on the challenges. We intend to make sure that a fair challenge process is conducted so that all eligible unserved areas qualify for funding.

I welcome a dialogue with stakeholders as to how best to accomplish our shared objectives. I look forward to working with you as we continue reforming and modernizing the Universal Service Fund high-cost program – as well as other components of the Universal Service Fund – to ensure that all Americans have access to robust voice and broadband services.

I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tom Wheeler", is written over a horizontal line.

Tom Wheeler